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PAY-AS-YOU-GO LEGISLATION PASSES THE HOUSE

Blue Dogs urge the Senate to join House in restoring fiscal discipline to the federal government

Washington, DC – Today, for the first time in over 10 years, the House voted to give pay-as-you-go (PAYGO) rules the force of law, a move that would bring a level of fiscal discipline to the federal government not seen since Congress balanced the budget in the 1990’s. Passage of the “Statutory PAYGO Act of 2009” not only represents an unprecedented step forward in the Blue Dogs’ fight to restore fiscal responsibility and accountability to the federal government, but also demonstrates the Democratic Congress’ commitment to putting an end to the wasteful deficit spending that had become the status quo in Washington throughout the previous administration.

“Today marks the culmination of years of hard work by the Blue Dogs on this issue,” said **Representative Baron Hill** (D-IN), Blue Dog Co-Chair for Policy. “And, it marks a critical first step in addressing our fiscal health. I would also like to thank our Democratic leadership and President Obama for their support. Without it, today would not have come to fruition.”

“The passage of PAYGO in the House is a tremendous victory for the American people and for those of us who know that our federal government cannot afford to continue to live outside its means,” said **Representative Allen Boyd** (D-FL), Chair of the Blue Dog Budget Task Force. “Reinstating PAYGO budget discipline has been a long-standing priority of the Blue Dogs, and today we are taking the next step to make that goal a reality. The House has acted, and now the Senate must act as well. It is time to put an end to the out-of-control deficit spending that has led our country down such a fiscally disastrous path.”

PAYGO, the same proven effective budget enforcement tool that was implemented with bipartisan support in the early 1990’s, has been a top priority of the Blue Dogs for over 15 years. President Obama gave his strong support for PAYGO legislation during a press conference with Blue Dogs, Majority Leader Steny Hoyer, and other members of the House and Senate, last month.

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“The interest we already pay each year on the national debt is more than we spend on education and veterans combined. The sooner we put PAYGO into place, the sooner we will have this money to invest in our priorities,” said **Representative Charlie Melancon** (D-LA), Blue Dog Co-Chair for Communications. “We have an obligation to our children and grandchildren to see that this critical piece of legislation reaches the President’s desk.”

"President Obama inherited an economy in freefall and a \$10.6 trillion national debt," said **Representative Jim Cooper** (D-TN), Vice Chair of the Blue Dog Budget Task Force. "It's urgent that we get our fiscal house in order. PAYGO is an important first step in that process, and we urge the Senate to pass this bill to keep America strong."

“Congress has an obligation to do what families in South Dakota and across the nation do every day: make hard choices and budget responsibly,” said **Representative Stephanie Herseth Sandlin** (D-SD), Blue Dog Co-Chair for Administration. “PAYGO is a strong, effective and proven tool to control spending and is absolutely critical in our efforts to restore our nation’s fiscal health.”

“If we fail to get our fiscal house in order, our international creditors will do it for us, and we will lose our economic freedom,” said **Representative John Tanner** (D-TN), a founding member of the Blue Dogs and a member of the House Ways and Means Committee. “In 2000, our budget was in balance; expenditures and revenue were each around 19% of our gross domestic product (GDP). Throughout this decade, however, our expenditures have increased, and our revenues have declined. That policy is not sustainable, and we must close the gap if we want our children and grandchildren to have the financial and economic opportunities they deserve.”

The fiscally conservative Democratic Blue Dog Coalition was formed in 1995 with the goal of representing the center of the House of Representatives and appealing to the mainstream values of the American public. The Blue Dogs are dedicated to a core set of beliefs that transcend partisan politics, including a deep commitment to the financial stability and national security of the United States. Currently there are 52 members of the Blue Dog Coalition. For more information, visit the Blue Dog Website at <http://www.house.gov/melancon/BlueDogs/>.

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